

CHAPMAN AND CUTLER

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June 24, 1997

JUN 26 '97

1-25 PM

Mr. Vernon A. Williams, Secretary  
Surface Transportation Board  
1925 K Street, N.W., Room 704  
Washington, D.C. 20423-0001

RECORDATION NO. 20735 FILED

JUN 26 '97

1-25 PM

Re: The Burlington Northern and Santa Fe Railroad Company  
Leveraged Lease Locomotive Financing  
BNSF 1997-D

Dear Mr. Williams:

I am enclosing for recording pursuant to Section 11301 of Title 49 of the United States Code, two copies of each of the primary documents and the secondary documents described below. As one of the attorneys representing the Lessee in this transaction, I have knowledge of the matters described in this letter.

The primary documents are as follows:

- (1) Memorandum of Lease Agreement (BNSF 1997-D), dated June 27, 1997, between Dia Canyon Ltd., as lessor (the "Lessor"), and The Burlington Northern and Santa Fe Railway Company, as lessee (the "Lessee"); and
- (2) Memorandum of Mortgage and Security Agreement (BNSF 1997-D), dated June 27, 1997, between the Lessor, as borrower (the "Borrower") and First Security Bank, National Association, as security trustee (the "Security Trustee").

The secondary documents are as follows:

- (1) Memorandum of Lease Supplement No. 1 (BNSF 1997-D), dated June 27, 1997, between the Lessee and the Lessor;
- (2) Memorandum of Mortgage Supplement No. 1 (BNSF 1997-D), dated June 27, 1997, between the Lessor, as Borrower, and the Security Trustee;
- (3) Memorandum of Dollar Account Pledge Agreement (BNSF 1997-D), dated June 27, 1997, between Kreditanstalt für Wiederaufbau ("KfW"), as agent (the "Agent"), and the Lessor, as Borrower; and

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(4) Memorandum of Yen Assignment Agreement (BNSF 1997-D), dated June 27, 1997, between the Lessor, as assignor (the "Assignor"), and The Bank of Tokyo - Mitsubishi, Ltd., acting through its New York Branch, as assignee (the "Assignee").

The primary documents to which Memorandum of Lease Supplement No. 1 (BNSF 1997-D) and Memorandum of Mortgage Supplement No. 1 (BNSF 1997-D) are connected are the Memorandum of Lease Agreement (BNSF 1997-D) and the Memorandum of Mortgage and Security Agreement (BNSF 1997-D), respectively, referred to above, which are being submitted for recording concurrently therewith.

The names and addresses of the parties to the enclosed documents are as follows:

MEMORANDUM OF LEASE AGREEMENT

Lessee: The Burlington Northern and Santa Fe Railway Company  
1700 East Golf Road  
Schaumburg, Illinois 60173

Lessor: Dia Canyon Ltd.  
7-2 Yaesu 2-chome  
Chuo-ku, Tokyo 104  
Japan  
Attention: General Manager, Business Development  
Department

MEMORANDUM OF MORTGAGE AND SECURITY AGREEMENT

Borrower: Dia Canyon Ltd.  
7-2 Yaesu 2-chome  
Chuo-ku, Tokyo 104  
Japan  
Attention: General Manager, Business Development  
Department

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Security Trustee: First Security Bank, National Association,  
as Security Trustee  
Corporate Trust Department  
79 South Main Street  
Salt Lake City, Utah 84111

MEMORANDUM OF LEASE SUPPLEMENT NO. 1

Lessee: The Burlington Northern and Santa Fe Railway Company  
1700 East Golf Road  
Schaumburg, Illinois 60173

Lessor: Dia Canyon Ltd.  
7-2 Yaesu 2-chome  
Chuo-ku, Tokyo 104  
Japan  
Attention: General Manager, Business Development  
Department

MEMORANDUM OF MORTGAGE SUPPLEMENT NO. 1

Borrower: Dia Canyon Ltd.  
7-2 Yaesu 2-chome  
Chuo-ku, Tokyo 104  
Japan  
Attention: General Manager, Business Development  
Department

Security Trustee: First Security Bank, National Association,  
as Security Trustee  
Corporate Trust Department  
79 South Main Street  
Salt Lake City, Utah 84111

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MEMORANDUM OF DOLLAR ACCOUNT PLEDGE AGREEMENT

Borrower: Dia Canyon Ltd.  
7-2 Yaesu 2-chome  
Chuo-ku, Tokyo 104  
Japan  
Attention: General Manager, Business Development  
Department

Agent: Kreditanstalt für Wiederaufbau  
Palmengartenstrasse 5-9  
60325 Frankfurt am Main, Germany

MEMORANDUM OF YEN ASSIGNMENT AGREEMENT

Assignor: Dia Canyon Ltd.  
7-2 Yaesu 2-chome  
Chuo-ku, Tokyo 104  
Japan  
Attention: General Manager, Business Development  
Department

Assignee: The Bank of Tokyo - Mitsubishi, Ltd., acting through  
its New York Branch  
1251 Avenue of the Americas  
New York, New York 10020-1104

The description of the equipment covered as of the date hereof by the aforesaid Memorandum of Lease Agreement, Memorandum of Mortgage and Security Agreement, Memorandum of Lease Supplement No. 1, Memorandum of Mortgage Supplement No. 1, Memorandum of Dollar Account Pledge Agreement and the Memorandum of Yen Assignment Agreement is as set forth on Exhibit A hereto.

A fee of one hundred forty-four dollars (\$144.00) is enclosed. Please time and date stamp the enclosed copies of each of the enclosed documents along with the extra copy of this letter as proof of filing and recordation of the enclosed documents and return the original and any extra copies of such documents and this letter not needed by the Board for recordation to:

Law Offices of  
CHAPMAN AND CUTLER

Karl T. Williams, Esq.  
Chapman and Cutler  
111 West Monroe  
Chicago, Illinois 60603

A short summary of each of the documents to appear in the index follows:

(1) MEMORANDUM OF LEASE AGREEMENT:

Memorandum of Lease Agreement (BNSF 1997-D) between Dia Canyon Ltd., as Lessor, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, Attention: General Manager, Business Development Department, and The Burlington Northern and Santa Fe Railway Company, as Lessee, 1700 East Golf Road, Schaumburg, Illinois 60173, dated June 27, 1997, covering diesel electric locomotives bearing the road numbers listed in the Schedule thereto.

(2) MEMORANDUM OF MORTGAGE AND SECURITY AGREEMENT:

Memorandum of Mortgage and Security Agreement (BNSF 1997-D) between Dia Canyon Ltd., as Borrower, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, Attention: General Manager, Business Development Department, and First Security Bank, National Association, as Security Trustee, Attention: Corporate Trust Department, 79 South Main Street, Salt Lake City, Utah 84111, dated June 27, 1997, covering the obligations of the Borrower and the Lessee relating to diesel electric locomotives bearing the road numbers listed in the Schedule thereto.

(3) MEMORANDUM OF LEASE SUPPLEMENT NO. 1:

Memorandum of Lease Supplement No. 1 (BNSF 1997-D) between Dia Canyon Ltd., as Lessor, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, Attention: General Manager, Business Development Department, and The Burlington Northern and Santa Fe Railway Company, as Lessee, 1700 East Golf Road, Schaumburg, Illinois 60173, dated June 27, 1997, covering diesel electric locomotives bearing the road numbers listed in the Schedule thereto. Memorandum of Lease Supplement No. 1 is related to the Memorandum of Lease Agreement between the Lessor and the Lessee, dated June 27, 1997, which is filed concurrently herewith.

(4) MEMORANDUM OF MORTGAGE SUPPLEMENT NO. 1:

Memorandum of Mortgage Supplement No. 1 (BNSF 1997-D) between Dia Canyon Ltd., as Borrower, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, Attention: General Manager, Business Development Department, and First Security

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Bank, National Association, as Security Trustee, Attention: Corporate Trust Department, 79 South Main Street, Salt Lake City, Utah 84111, dated June 27, 1997, covering the obligations of the Borrower and the Lessee relating to diesel electric locomotives bearing road numbers listed in the Schedule thereto. The Memorandum of Mortgage Supplement No. 1 is related to the Memorandum of Mortgage and Security Agreement between the Borrower and the Security Trustee, dated June 27, 1997, which is filed concurrently herewith.

(5) MEMORANDUM OF DOLLAR ACCOUNT PLEDGE AGREEMENT:

Memorandum of Dollar Account Pledge Agreement (BNSF 1997-D) between Kreditanstalt für Wiederaufbau, as Agent, Palmengartenstrasse 5-9, 60325 Frankfurt am Main, Germany, and Dia Canyon Ltd., as Borrower, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, Attention: General Manager, Business Development Department, dated June 27, 1997, relating to the grant by the Borrower to the Agent of a security interest in the Borrower's right, title and interest in and to the Dollar Account described in the Dollar Account Pledge Agreement, dated June 6, 1997, between the Agent and the Borrower.

(6) MEMORANDUM OF YEN ASSIGNMENT AGREEMENT:

Memorandum of Yen Assignment Agreement (BNSF 1997-D) between Dia Canyon Ltd., as Assignor, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, Attention: General Manager, Business Development Department, and The Bank of Tokyo-Mitsubishi, Ltd., acting through its New York Branch, as Assignee, Hong Kong Branch, Tower 1, Admiralty Centre, 18 Harcourt Road, Central, Hong Kong, dated June 27, 1997, relating to the grant by the Assignor to the Assignee of a security interest in the Assignor's right, title and interest in and to the Collateral described in the Yen Assignment Agreement, dated June 27, 1997, between the Assignor and the Assignee.

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If you have any questions or need further information, please do not hesitate to contact the undersigned (312-845-3892).

Sincerely,

CHAPMAN AND CUTLER

By Karl T. Williams  
Karl T. Williams

KTW/wp  
Enclosures

JUN 26 '97

1-25 PM

MEMORANDUM OF YEN ASSIGNMENT AGREEMENT  
(BNSF 1997-D)

Memorandum of Yen Assignment Agreement, made and entered into on June 27, 1997, by and between Dia Canyon, Ltd., a Japanese corporation ("*Assignor*"), and The Bank of Tokyo-Mitsubishi, Ltd., a bank organized under the laws of Japan, acting through its New York Branch ("*Assignee*").

## WITNESSETH:

1. The Assignor and The Burlington Northern and Santa Fe Railway Company ("*Lessee*") have entered into that certain Lease Agreement (BNSF 1997-D) (the "*Lease Agreement*"), dated June 6, 1997, and Lease Supplement No. 1 (the "*Lease Supplement*") thereto, dated June 27, 1997, covering certain locomotives bearing road numbers as listed on Exhibit A attached hereto.

2. Memoranda of said Lease Agreement and of said Lease Supplement are being recorded with the Surface Transportation Board concurrently herewith pursuant to Section 11301 of Title 49 of the United States Code.

3. The undersigned have entered into that certain Yen Assignment Agreement (BNSF 1997-D) (the "*Assignment*"), dated June 27, 1997, pursuant to which the Assignor has granted to the Assignee a security interest in all of its right, title and interest in and to the Collateral described therein.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum of Yen Assignment Agreement to be duly executed by their respective officers duly authorized on the date and year first above written.

DIA CANYON LTD.

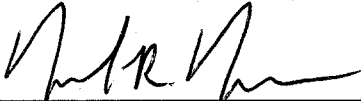
By 

Name: Yoichi Hara

Title: Attorney-in-Fact

Executed on this 19<sup>th</sup> day of June, 1997.

THE BANK OF TOKYO-MITSUBISHI, LTD.,  
acting through its New York Branch

By   
Name: MARK R. MARROW

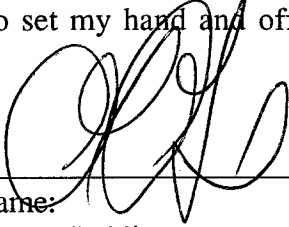
Title: Attorney-in-Fact

Executed on this 19<sup>th</sup> day of June, 1997.

STATE OF NEW YORK     )  
                                  ) SS.:  
COUNTY OF New York )

On this, the 19<sup>th</sup> day of June, 1997, before me, a Notary Public in and for said County and State, personally appeared Yoichi Hara, who being by me duly sworn, says that he is the Attorney-in-Fact of DIA CANYON LTD., that said instrument was signed on June 7, 1997 on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

  
\_\_\_\_\_  
Name:  
Notary Public  
My Commission Expires:  
Residing in \_\_\_\_\_

**MARIO O. MORRONE**  
Notary Public, State of New York  
No. 02MO4811599  
Qualified in Kings County  
Commission Expires Oct. 31, 1998

STATE OF \_\_\_\_\_ )  
                                  ) SS.:  
COUNTY OF \_\_\_\_\_ )

On this, the \_\_\_\_ day of June, 1997, before me, a Notary Public in and for said County and State, personally appeared \_\_\_\_\_, who being by me duly sworn, says that he is the Attorney-in-Fact of THE BANK OF TOKYO-MITSUBISHI, LTD., acting through its New York Branch, that said instrument was signed on June \_\_, 1997 on behalf of said association by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

\_\_\_\_\_  
Name:  
Notary Public  
My Commission Expires:  
Residing in \_\_\_\_\_

STATE OF NEW YORK     )  
                                      ) SS.:  
COUNTY OF \_\_\_\_\_ )

On this, the \_\_\_\_ day of June, 1997, before me, a Notary Public in and for said County and State, personally appeared Yoichi Hara, who being by me duly sworn, says that he is the Attorney-in-Fact of DIA CANYON LTD., that said instrument was signed on June \_\_, 1997 on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

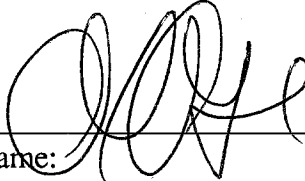
IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

\_\_\_\_\_  
Name:  
Notary Public  
My Commission Expires:  
Residing in \_\_\_\_\_

STATE OF NEW YORK )  
                                      ) SS.:  
COUNTY OF NEW YORK )

On this, the 19<sup>th</sup> day of June, 1997, before me, a Notary Public in and for said County and State, personally appeared MARK R. MARCONE, who being by me duly sworn, says that he is the Attorney-in-Fact of THE BANK OF TOKYO-MITSUBISHI, LTD., acting through its New York Branch, that said instrument was signed on June 15, 1997 on behalf of said association by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

  
\_\_\_\_\_  
Name:  
Notary Public  
My Commission Expires:  
Residing in \_\_\_\_\_

MARIO O. MORRONE  
Notary Public, State of New York  
No. 02MO4811599  
Qualified in Kings County  
Commission Expires Oct. 31, 1998

**EXHIBIT A**

**UNITS**

<b>EQUIPMENT</b>	<b>QUANTITY</b>	<b>ROAD NUMBERS</b>
General Electric Company Dash 9-44CW Diesel Electric Locomotives	7	BNSF 700 through BNSF 706, inclusive
General Motors Corporation (Electro-Motive Division) Model SD70M-AC Diesel Electric Locomotives	17	BNSF 9803 through BNSF 9819, inclusive